# Forty-Third Annual Report
# of the
# New Mexico Public Service Commission

October 1, 1987

New Mexico Public Service Commission
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New Mexico Public Service Commission
Forty-Third Annual Report
Historical Status Report
75th Fiscal Year
July 1, 1986 – June 30, 1987
Future Directions and Suggestions
July 1, 1987 – June 30, 1988

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# NEW MEXICO PUBLIC SERVICE COMMISSION

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GARREY CARRUTHERS
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JOSEPH E. SAMORA, JR.
CHAIRMAN
MARTIN J. BLAKE
COMMISSIONER
S. PETER BICKLEY
COMMISSIONER

October 1, 1987

The Honorable Garrey Carruthers
Governor
State of New Mexico
Executive/Legislative Building
Santa Fe, New Mexico 87503

Dear Governor Carruthers:

Pursuant to and in compliance with NMSA 1978, Section 62-6-2 (Repl.Pamp.1984), it is my pleasure and honor to make to you, for transmission to the Legislature, the Forty-third Annual Report on the acts and doings of the New Mexico Public Service Commission. This Annual Report sets forth those facts which disclose the actual workings of public utilities subject to our jurisdiction, and sets forth certain suggestions for the best interests of the State including both the protection of consumers and investors and the encouragement and development of industry within New Mexico.

Respectfully submitted,

J. E. Samora

JOSEPH E. SAMORA, JR.
Chairman

JES Jr/rla

# Table of Contents


| | Page |
|---|---|
| Mission Statement | 1 |
| The Commissioners | 1 |
| Significant Events | 1 |
| Commission Organizational Units | 3 |
| Organizational Chart | 4 |
| Receipts and Disbursements | 5 |
| Public Utilities Regulated | 6 |
| Matters Considered | 7 |
| Future Directions | 9 |

**Appendix**

| | |
|---|---|
| Commissioners During Annual Reporting Period | 10 |
| Statutory Duties and Authorities | 10 |
| Table 1: Summary of Rate Requests | 11 |
| Table 2: Investor Owned Electric Utility Statistics | 11 |
| Table 3: Rural Electric Cooperative Utility Statistics | 12 |
| Table 4: Gas Utility Statistics | 12 |
| Table 5: Water Utility Statistics | 12 |
| Table 6: Number of Complaints | 13 |
| NMPSC Available Brochures | 13 |

## Mission Statement

The New Mexico Public Service Commission is charged by the Public Utility Act with the regulation of the rates and services provided by investor owned natural gas, electric, water and sewer utilities and by rural electric cooperatives in New Mexico. The Commission also regulates the rates of water and sanitation districts. The Commission's duties include setting utility rates, setting standards for acceptable service, approving construction of additional generating plant and transmission facilities, approving the issuance of securities by public utilities, the hearing and settlement of complaints, and ensuring compliance with Commission orders and rules. The Commission must balance the interests of utility customers and utility shareholders to assure that adequate, efficient and reasonable services are available to the public at fair, just and reasonable rates; that construction, development and extension of utility services is done without unnecessary duplication or waste; and that the utilities are able to attract investment capital for the plants and facilities which are to render these services.

## The Commissioners

**Joseph E. Samora, Jr., Chairman:** Born September 6, 1955, in Albuquerque, New Mexico; University of New Mexico (BA, JD); judicial law clerk to the New Mexico Supreme Court (1982–84), private law practice with the Albuquerque firm of Shaffer, Butt, Thornton and Baehr, P.C. (1984–85), Administrative Assistant and Counsel to the Chief Justice of New Mexico Supreme Court (1986); Chairman, American Bar Association/Young Lawyers Division, Public Utility Law Committee (1987–88), National Association of Regulatory Utility Commissioners Water Committee (1987) named Commissionership January 16, 1987, current term ends January 15, 1993.

**Martin J. Blake, Commissioner:** Republican; born March 16, 1948, in Chicago, Illinois; Illinois Benedictine (BA Economics), University of Missouri (MA Economics, PhD Agricultural Economics); U.S. Army Captain (1975–76), Professor at New Mexico State University (1977–87), Policy Analyst for U.S. Department of Interior (1983), member of National Association of Regulatory Utility Commissioners Finance and Technology Committee, member of Western Society of Public Service Commissioners Electric Committee. Author; assumed Commissionership January 20, 1987, current term ends January 15, 1991.

**S. Peter Bickley, Commissioner:** Republican; born September 27, 1931, in El Paso, Texas; Colorado School of Mines, Harvard Business School (MBA); Lieutenant in U.S. Corps of Engineers (1954–56), Engineer for Shell Oil Company (Exploration and Production) (1953–65), Manager for The First Church of Christ Scientist, in Boston (1966–80), Officer and Director of Calvin Exploration, Inc., in Santa Fe (1981–85); Society of Petroleum Engineers; Rocky Mountain Association of Geologists; American Gas Association; Director, Capital City AARP. Assumed Commissionership February 17, 1987, current term ends January 15, 1989.

## Significant Events

### PVNGS Rate Moderation Plan (Case No. 2009)

In January, 1986, the Commission docketed an investigation to develop a rate moderation plan to alleviate rate shock of Palo Verde Nuclear Generating Station (PVNGS) on El Paso Electric Company's New Mexico customers. In May, 1987, the Commission approved a final plan proposed by a majority of the parties in the case after holding hearings en banc in Las Cruces. The plan limits rate increases to 3 percent per year for three years, eliminates further increases through 1994, and excludes PVNGS Unit 3 from New Mexico rates.

### PNM Rate Decrease (Case No. 1916)

On August 29, 1986, the Commission decreased base rates of Public Service Company of New Mexico. The company had filed an application for a rate increase, but the Commission determined that its rates should be cut by $4,529,733. The decrease went into effect in September, 1986.

### PNM Holding Company (Case No. 2019)

In February, 1986, Public Service Company of New Mexico filed an application to form a holding company. In August, 1986, after hearings, the Commission denied the company's request because the absence of statutory access to certain books and records of the company rendered the specific holding company structure proposed detrimental to ratepayers. The Commission's denial was appealed to the New Mexico Supreme Court, where the case is still pending as Supreme Court Case No. 16,608.

### Cost Overrun Rule (Case No. 2071)

In November, 1986, the Commission began a rulemaking proceeding to address information requirements about cost overruns and schedule delays in construction of new electric generating plants. In December, 1986, the Commission adopted a final rule (General Order No. 49), which provides that the Commission will not allow rate recovery for generating plant cost overruns absent a Commission determination that costs were prudently incurred or a stipulation and finding by the Commission that waiver of a prudence determination is in the public interest. In conjunction with the rule, the Commission also docketed an investigation into the prudence of Public Service Company of New Mexico's investment in PVNGS, Case No. 2087. The investigation is pending.

### Docket Control Program

The three newly appointed Commissioners initiated a program in February, 1987, of docket control to reduce the number of long-standing cases on the Commission docket. As of January 21, 1987, there were 31 cases on the Commission docket which had been filed before June, 1986. This included three cases that were more than seven years old. As of June 30, 1986, the Commission had processed 21 of those cases. Overall, the Commission issued final orders in 43 cases during their first

six months compared with an average of 28 final orders issued in the first six months of the previous five years. This commitment to case docket control will provide timely and efficient case decisions. Commission staff has been working at an accelerated pace to provide timely review of pending cases.

### Improved Communications

Since the three new Commissioners took office in February, 1987, they immediately initiated a program to meet with the Attorney General and his staff, chief executive officers of regulated utilities, as well as other intervenor parties, who regularly appear before the Commission. This represents an effort to assure the parties of the Commission's commitment to an open flow of communication.

### Codification of NMPSC Rules and Regulations

The Commissioners, through Case No. 2086, have increased their effort to review and codify all of their General Orders to reduce and simplify the number of reports and paperwork required to be filed by utilities under NMPSC jurisdiction. As a result of the streamlining and simplification for filings, a greater emphasis will be placed on compliance with the filings by the utilities to insure that the Commission receives all the information that is needed to conduct its business. The recodification is a massive project that is expected to be completed by the end of calendar year 1987.

### Revised Rules of Practice and Procedure (General Order No. 1)

On December 15, 1986, the Commission adopted Revised Rules of Practice and Procedure (Third Revised General Order No. 1). The new rules are modernized, clarified, reflect current legal practice before the Commission, and enhance the Commission's ability to efficiently conduct and consider cases before it.

### Sewer Utility Regulation (House Bill 486)

The 1987 Legislature authorized the Commission to begin regulating rates and service of private sewer utilities in New Mexico. N.M. Laws 1987, Ch.52. The Commission is currently notifying and requiring those known utilities to report to the Commission to obtain Certificates of Convenience and Necessity. Commission staff is presently drafting regulations to implement the Commission's function under the legislation.

### Natural Gas Transportation (Case No. 1968 Phase I) (House Bill 444)

New Mexico was the first state to pass non-discriminatory natural gas transportation legislation. The NMPSC issued General Order No. 44 to implement this statute in December 1984. In November, 1986, Gas Company of New Mexico requested the Commission to revise this General Order. In February, 1987, the Legislature passed House Bill 444 prohibiting utilities from brokering natural gas (except through an arms-length affiliate) and establishing penalties for anti-competitive actions by a utility (pipeline). NMPSC implemented the legislation by Final Declaratory Order on June 22, 1987, and is currently holding hearings on a revised version of the General Order.

### Hearings Outside of Santa Fe

The Commissioners conducted a hearing in Las Cruces in April, 1987, on the stipulation in the El Paso Electric Company rate case (Case No. 2009), the first time since 1984 that the Commissioners have held hearings outside of Santa Fe. In August, 1987, the Commission held a public comment hearing in Las Cruces in Case No. 2092. The Commission has instituted a policy of holding a public comment hearing, presided over by at least one Commissioner, for each major case in the local area affected by the case. This has been done to make it easier for the public to participate in decisions which vitally affect them.

### Tax Reform Act (Case No. 2130)

Investor-owned utilities regulated by this Commission are affected by the 1986 Tax Reform Act. The NMPSC docketed Case No. 2076 and thereafter Case No. 2130 to provide the financial information concerning the degree of impact on rates. A later NMPSC motion makes currently collected revenues subject to refund from July 1, 1987, forward. This case is pending.

### Palo Verde Site Inspection Tour

There have been numerous cases dealing with the construction and operation of the Palo Verde Nuclear Generating Station over the past several years. Several were filed during the 1986–87 fiscal year. Some of these are still pending. Since the three Commissioners assumed their positions in 1987, an on-site inspection tour of the facility was taken in July.

### Cogeneration Regulation Revisited (Case No. 2017)

Second Revised General Order No. 37 governing cogeneration and small power production facilities ("qualifying facilities") in New Mexico was adopted on December 31, 1986, after a ten-month rulemaking proceeding. The Order contains requirements for electric utilities to interconnect with qualifying facilities on specified terms and conditions. Utilities are required to purchase power from qualifying facilities and to sell back-up, maintenance, supplemental and interruptible power to qualifying facilities. The methodologies to determine rates for such purchases and sales are specified. Utilities are further required to make capacity payments when qualifying facilities avoid the need for generation additions by utilities. This Order has been appealed to the New Mexico Supreme Court (Supreme Court No. 16,869) and is currently being held in abeyance while the three new Commissioners review certain provisions.

# Commission Organizational Units

The Public Service Commission is organized into seven professional divisions and three administrative support units, excluding the Commissioners. The seven professional divisions are: Commission Counsel, Hearing Examiners, Staff Counsel, Economics, Engineering, Accounting and Policy Planning, and Tariff and Compliance. The three administrative support units are: Administrative, Records Management, and Data Processing Systems. A brief description of the functions each unit performs follows:

**Commission Counsel:** Act as general legal counsel to the Commission, providing legal advice to the Commissioners. Their duties include researching and drafting Commission orders and opinions as well as defending them in court appeals. Commission Counsel draft and evaluate legislation. They also provide assistance to the Executive Director in contract matters and intra-agency and inter-governmental legal matters.

**Hearing Examiners:** Conduct proceedings as presiding officers when appointed to do so by the Commission. Establish procedures and details for the conduct of proceedings, ensure that a full and adequate record is established, make rulings on procedural matters, conduct hearings, certify any stipulations negotiated by parties to the Commission, and make recommended decisions to the Commission including findings of fact and conclusions of law on all assigned cases.

**Staff Counsel:** Provides legal advice to the staff, assists in development of staff's positions, represents the staff in adversarial hearings before the Commission, and represents the Commission on appeal or other court proceedings. Assists in the review and implementation of legislation, rules, and regulations. Provides legal advice to staff with respect to personnel, contracts, budgets, etc.

**Economics:** Evaluates financial markets and cost of capital issues; conducts rate of return analyses, cost of service studies, and rate design analysis; makes supply and demand forecasts and production cost studies; reviews various filings; and submits expert testimony on these issues as necessary.

**Engineering:** Perform engineering analysis and provide expert testimony on engineering and regulatory issues concerning utility plant design plans, specifications, capacity, reliability, depreciation rates, utility expenses, certificates of public convenience and necessity and; develop rate base, cost of service, revenue requirements, load forecasts, computer simulations of system operations and costs. Assist on other inter-disciplinary analysis as required. Develop and implement staff policy regarding rates, filing requirements and procedures. Reviews various utility filings monitoring fuel costs, plant costs, affiliate transactions and other filings required by the Commission. Provide technical support to Tariff & Compliance.

**Accounting and Policy Planning:** A multi-disciplinary section which analyzes accounting procedures of companies, meets Commission's accounting and auditing needs, reviews and assists in the development of Commission's policies on regulatory matters, assists in evaluation and review of various filings, submits testimony on the positions taken.

**Tariff and Compliance:** Ensures compliance with Commission rules, regulations and policy, and monitors utilities regarding timely filing and compliance of service General Orders; provides information and education and provides assistance to consumers who are unable to resolve billing and service problems; testifies on issues as necessary.

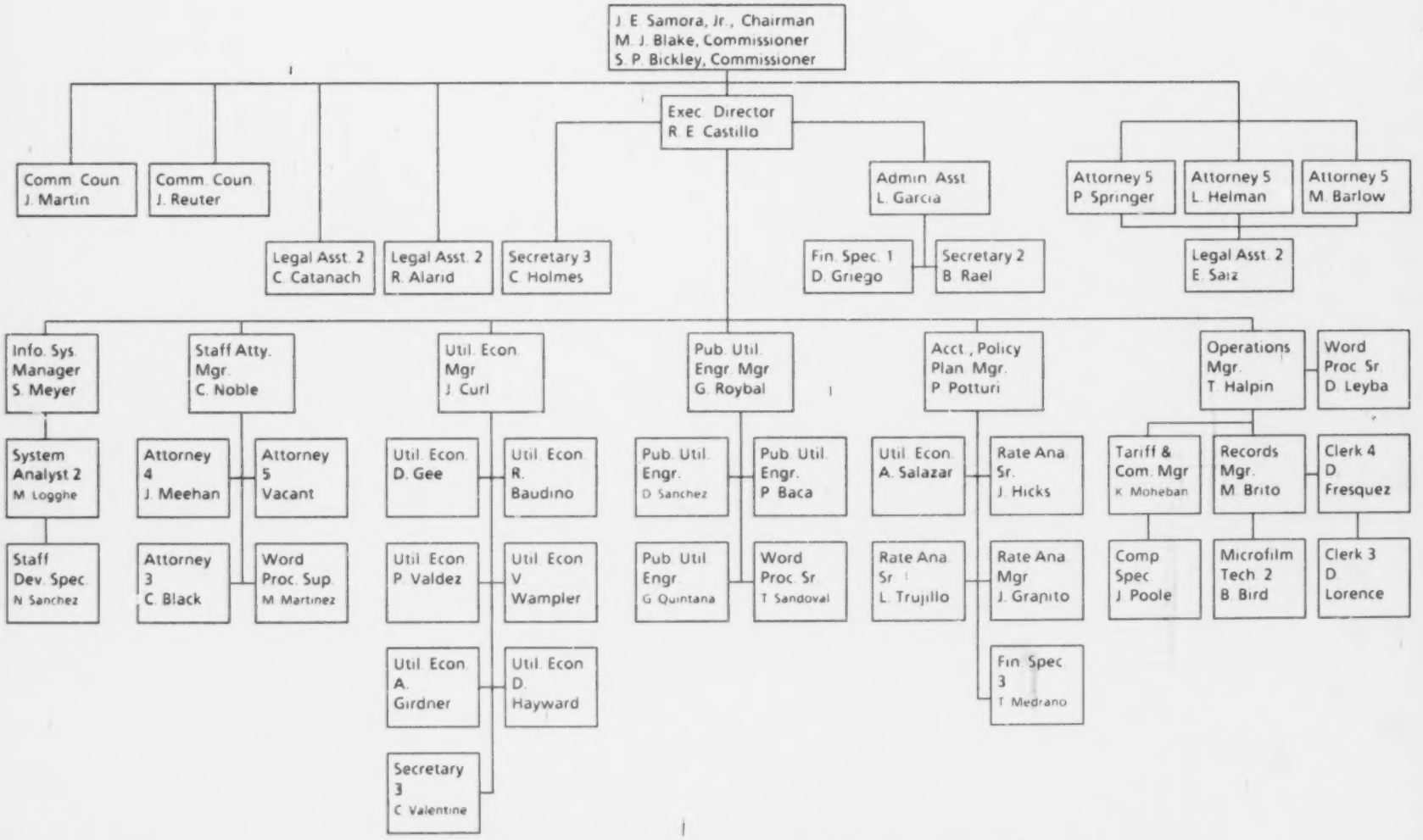
**Administrative:** Performs and supervises preparation of Commission annual budget; also responsible for budget control, accounts payable, accounts receivable, insurance contracts, inventory, and maintenance. In addition it has overall responsibility for all personnel matters.

**Records Management:** Maintains Commission case record files and general files. It also receives rates, rules, and forms filed by utilities; maintains Commission docket, and publishes and distributes daily pleadings log and matters pending log.

**Data Processing:** Responsible for the operation and maintenance of the Commission's computer and information system resources. Program planning, development, and implementation is coordinated to support staff case assignments and management objectives.

Effective 6-30-87

# NMPSC Organizational Chart




Organizational Chart does not include - State Government Interns and Summer Youth

## STATE OF NEW MEXICO
## PUBLIC SERVICE COMMISSION
## STATEMENT OF RECEIPTS AND DISBURSEMENTS*

**75th Fiscal Year**
**July 1, 1986 through June 30, 1987**

| | |
|---|---|
| RECEIPTS | |
| General Fund Appropriation | $2,536.7 |
| Special Appropriation | 87.0 |
| Inspection and Supervision Fees | 5,731.2 |
| Filing Fees | 2.1 |
| Sales of Misc. Documents and Publications | 4.4 |
| Miscellaneous | .1 |
| Penalty and Interest | .4 |
| Total Receipts | $8,361.9 |
| DISBURSEMENTS | |
| Personal Services | $1,516.8 |
| Employee Benefits | 325.0 |
| Travel | 22.9 |
| Maintenance and Repairs | 79.4 |
| Supplies | 35.1 |
| Contractual Services | 269.8 |
| Education and Training | 35.7 |
| Capital Outlay | 219.8 |
| Out-of-State Travel | 26.9 |
| Total Disbursements | $2,531.4 |
| Excess of Receipts over Disbursements | $5,830.5 |
| DEDUCT | |
| Transfer to State General Fund | $5,738.2 |
| Budgetary Revision to State General Fund | 92.3 |
| Total Deduction | $5,830.5 |
| BALANCE, June 30, 1987 | $ 0.0 |

*Thousands of dollars

# Public Utilities Regulated by the New Mexico Public Service Commission

### Investor Owned Electric Utilities

El Paso Electric Company
Public Service Company of New Mexico
Southwestern Public Service Company
Texas–New Mexico Power Company

### Rural Electric Cooperative Utilities

Central New Mexico Electric Cooperative, Inc.
Central Valley Electric Cooperative, Inc.
Columbus Electric Cooperative, Inc.
Continental Divide Electric Cooperative, Inc.
Duncan Valley Electric Cooperative, Inc.
Farmers Electric Cooperative, Inc.
Jemez Mountains Electric Cooperative, Inc.
Kit Carson Electric Cooperative, Inc.
La Plata Electric Association, Inc.
Lea County Electric Cooperative, Inc.
Mora–San Miguel Electric Cooperative, Inc.
Navopache Electric Cooperative, Inc.
Northern Rio Arriba Electric Cooperative, Inc.
Otero County Electric Cooperative, Inc.
Plains Electric Generation & Transmission Cooperative, Inc.
Rio Grande Electric Cooperative, Inc.
Roosevelt County Electric Cooperative, Inc.
Sierra Electric Cooperative, Inc.
Socorro Electric Cooperative, Inc.
Southwestern Electric Cooperative, Inc.
Springer Electric Cooperative, Inc.

### Investor Owned Water Utilities

Agua Fria Development Company
Albuquerque Utilities Corporation
Alto Village Services Corporation
Angel Fire Services Corporation
Anthony Water Works, Inc.
Boles Acres Water System
Caprock Water Company
CBG Maintenance Inc.
Cerrillos Water & Irrigation Company
Country Club Estates Water Utility, Inc.
Desertaire Water Company
Dutchman's Hill Water Company
Echo Valley Water Company
Edgewood Water Utility Company, Inc.
El Dorado Utilities, Inc.
Golden Acres Water Company, Inc.
Independent Water Company
Indian Hills Water Company
Jornada Water Company
Lake Section Water Company
Leggett Springs Water Company
Mesa Development Center
Moongate Water Company
National Utility Company, Inc.
New Mexico American Water Company
New Mexico Utilities, Inc.
Quemado Waterworks
Ranchos de Placitas Water Company
Rancho Ruidoso Village Water Company
Reserve Waterworks
Rio Grande Utility Corporation
River Valley View Water Works
Riverside Water Service Company, Inc.
Sandia Peak Utility Company
Sangre de Cristo Water Company
Santa Teresa Service Company
South Hills Water Company
Sunlit Hills of Santa Fe Inc.
Thunder Mountain Water Company
Timberon Water Company, Inc.
Valle Vista Water Utility Co.

### Investor Owned Natural Gas Utilities

Gas Company of New Mexico
Hobbs Gas Company
Jal Gas Company
Midwest Energy Corporation
Raton Natural Gas Company
Ruidoso Natural Gas Company

### Liquified Petroleum Gas Utilities

Keeth Gas Company

### Water and Sanitation Districts

Alpine Village Water & Sanitation District
Lakeshore City Water & Sanitation District
Ranchos de Placitas Water & Sanitation District
San Rafael Water & Sanitation District
Twining Water & Sanitation District

## MATTERS CONSIDERED BY THE PUBLIC SERVICE COMMISSION
## BETWEEN JULY 1, 1986 AND JUNE 30, 1987

| CASE NO. | COMPANY | DATE FILED | TYPE OF PROCEEDING | DISPOSITION | DATE |
|---|---|---|---|---|---|
| 1511 | SOUTH HILLS WATER | 08/20/79 | CERTIFICATE | FINAL ORDER | 09/15/86 |
| 1577 | NMPSC | 08/02/82 | CAPITAL EXPANSION | DISMISSED | 03/16/87 |
| 1597 | GREEN MEADOW LAKES | 09/09/80 | CERTIFICATE | PENDING | |
| 1598 | CABALLO ESTATES WATER CO. | 09/10/80 | ORDER TO SHOW CAUSE | FINAL ORDER | 01/19/87 |
| 1604 | JIM MCCUTCHEN | 10/06/80 | CERTIFICATE | PENDING | |
| 1672 | PUBLIC SERV. CO. OF NM | 06/09/81 | RIGHT OF WAY (1686) | FINAL ORDER | 04/06/87 |
| 1686 | PUBLIC SERV. CO. OF NM | 07/15/81 | CERTIFICATE | FINAL ORDER | 04/06/87 |
| 1703 | M. O. SEAY | 09/21/81 | SHOW CAUSE | PENDING | |
| 1723 | GAS COMPANY OF NM | 02/09/82 | GAS PURCHASE CON. | DISMISSED | 03/02/87 |
| 1728 | LA PLATA ELEC. ASSOC. | 04/07/82 | SAMPLE FORMS | FINAL ORDER | 04/06/87 |
| 1752 | SANTA FE VS. PNM | 06/23/82 | COMPLAINT | DISMISSED | 03/16/87 |
| 1758 | DOMINGO VS. GAS CO. | 07/23/82 | COMPLAINT | FINAL ORDER | 03/02/87 |
| 1766 | NMPSC RULEMAKING | 09/10/82 | AMEND G. O. 1 | FINAL ORDER | 12/15/86 |
| 1796 | GAS COMPANY OF NM | 02/07/83 | INVESTIG./PGAC | DISMISSED | 04/06/87 |
| 1811 | PUBLIC SERV. CO. OF NM | 04/18/83 | COAL COSTS | PENDING | |
| 1852 | NMPSC RULEMAKING | 10/03/83 | G. O. 43 COOP'S | DISMISSED | 04/06/87 |
| 1873 | GARNER VS. TWINING | 01/03/84 | COMPLAINT | DISMISSED | 04/06/87 |
| 1893 | NMPSC RULEMAKING | 05/14/84 | CONSERVATION | PENDING | |
| 1895 | TAOS SKI V. TWINING | 05/18/84 | COMPLAINT | DISMISSED | 04/06/87 |
| 1904 | SUNLIT HILLS WATER | 06/18/84 | RATE ADJUSTMENT | FINAL ORDER | 07/06/87 |
| 1914 | JAL GAS CO. | 08/06/84 | SHOW CAUSE | DISMISSED | 03/02/87 |
| 1915 | GAS COMPANY OF NM | 06/14/84 | VARIANCE G. O. 36 | DISMISSED | 04/06/87 |
| 1916 | PUBLIC SERV. CO. OF NM | 09/26/84 | RATE ADJUSTMENT | FINAL ORDER | 09/15/86 |
| 1935 | SOUTHWESTERN PSC | 12/18/84 | LINE EXTENSION | FINAL ORDER | 02/16/87 |
| 1940 | GOLDEN ACRES | 01/28/85 | OWNERSHIP CHANGE | PENDING | |
| 1945 | WHISPERING PINES | 02/18/85 | SHOW CAUSE | FINAL ORDER | 02/16/87 |
| 1947 | GAS COMPANY OF NM | 02/18/85 | SHOW CAUSE—LOST GAS | FINAL ORDER | 05/18/87 |
| 1951 | PUBLIC SERV. CO. OF NM | 03/15/85 | RATE DESIGN | PENDING | |
| 1968 | GAS COMPANY OF NM | 07/19/85 | COMPLAINT | PENDING | |
| 1970 | PUBLIC SERV. CO. OF NM | 07/26/85 | INVESTIGATION—4 CORNERS | FINAL ORDER | 10/06/86 |
| 1971 | GAS COMPANY OF NM | 07/29/85 | PURCHASED GAS ADJ. | FINAL ORDER | 08/18/86 |
| 1976 | EL DORADO UTILITIES | 09/03/85 | RATE FILING | FINAL ORDER | 07/07/86 |
| 1982 | SOUTH HILLS WATER | 11/01/85 | RATE ADJUSTMENT | FINAL ORDER | 12/19/86 |
| 1989 | PUBLIC SERV. CO. OF NM | 09/03/85 | LINE EXT. POLICY | PENDING | |
| 1994 | NM UTILITIES | 10/07/85 | RATE FILING | FINAL ORDER | 07/21/86 |
| 2004 | PUBLIC SERV. CO. OF NM | 12/05/85 | INVESTIG. OF INSERVICE | PENDING | |
| 2006 | HENDI V. CENTRAL NM | 12/09/85 | COMPLAINT | FINAL ORDER | 07/21/86 |
| 2008 | PUBLIC SERV. CO. OF NM | 12/31/85 | RATE FILING A/N 158 | FINAL ORDER | 07/21/86 |
| 2009 | EL PASO ELECTRIC CO. | 01/09/86 | RATE MODERATION | FINAL ORDER | 05/18/87 |
| 2010 | PUBLIC SERV. CO. OF NM | 01/09/86 | INVENT. CAPACITY METH. | FINAL ORDER | 12/31/86 |
| 2011 | PUBLIC SERV. CO. OF NM | 01/09/86 | INVENT. IN SALES PVNGS | FINAL ORDER | 08/12/86 |
| 2015 | PUBLIC SERV. CO. OF NM | 02/11/86 | JAN INVENT. REPORT | FINAL ORDER | 07/07/86 |
| 2017 | NMPSC RULEMAKING | 02/20/86 | COGEN. & SM PWR PROD | FINAL ORDER | 12/31/86 |
| 2019P2 | PUBLIC SERV. CO. OF NM | 02/24/86 | LEASEBACK UNIT 1 HLDG CO | FINAL ORDER | 07/08/86 |
| 2019P1 | PUBLIC SERV. CO. OF NM | 02/24/86 | LEASEBACK UNIT 2 | FINAL ORDER | 07/08/86 |
| 2022 | SOUTHWESTERN PSC | 03/20/86 | CLOVIS WATER SALE | FINAL ORDER | 07/21/86 |
| 2026 | EL PASO ELEC. CO. | 05/02/86 | OIL PIPELINE PUMPING RATE | FINAL ORDER | 12/15/86 |
| 2027 | PUBLIC SERV. CO. OF NM | 04/07/86 | COMPLAINT | FINAL ORDER | 04/06/87 |
| 2028 | GAS COMPANY OF NM | 04/08/86 | ECI COGENERATION RATES | FINAL ORDER | 04/06/87 |
| 2030 | GAS COMPANY OF NM | 04/11/86 | COGENERATION RATE | FINAL ORDER | 04/06/87 |
| 2031 | NAVOPACHE ELEC. | 04/11/86 | RATE ADJUSTMENT | FINAL ORDER | 10/20/86 |
| 2032 | EL PASO ELEC. CO. | 04/21/86 | FINANCING | FINAL ORDER | 07/16/86 |
| 2033 | NMPSC | 04/23/86 | PETITION TO SHOW CAUSE | FINAL ORDER | 07/07/86 |
| 2034 | NMPSC | 04/23/86 | PETITION TO SHOW CAUSE | FINAL ORDER | 07/07/86 |
| 2037 | EL PASO ELEC. CO. | 05/08/86 | RATE FILING | FINAL ORDER | 09/15/86 |
| 2039 | TEXAS-NM POWER CO. | 05/29/86 | G. O. 28 VARIANCE | FINAL ORDER | 12/29/86 |
| 2040 | GAS COMPANY OF NM | 06/02/86 | G. O. 44 VARIANCE | PENDING | |
| 2041 | OTERO COUNTY ELECTRIC | 06/04/86 | RATE CASE | FINAL ORDER | 07/08/86 |
| 2042 | BISHOPS LODGE CO./PNM | 06/18/86 | COMPLAINT | FINAL ORDER | 10/06/86 |
| 2043 | LEA COUNTY ELECTRIC | 06/05/86 | LEVELIZED FUEL ADJ. | FINAL ORDER | 09/02/86 |
| 2044 | EL PASO ELEC. CO. | 06/05/86 | CERTIFICATE | PENDING | |
| 2045 | COUNTY OF LOS ALAMOS | 06/19/86 | FINANCING | FINAL ORDER | 07/14/86 |
| 2046 | EL PASO ELEC. CO. | 06/30/86 | UNRESOLVED 1833 ISSUES | DISMISSED | 04/06/87 |
| 2047 | MOONGATE WATER CO. | 06/30/86 | LINE EXTENSION | FINAL ORDER | 09/15/87 |

| | | | | | |
|---|---|---|---|---|---|
| 2048 | OTERO COUNTY ELEC. | 07/08/87 | DEMAND METERING | PENDING | |
| 2049 | PLAINS ELEC. G&T | 07/16/87 | APPROVAL OF RATES | FINAL ORDER | 02/16/87 |
| 2050 | SANDIA PEAK UTILITY | 07/25/86 | FINANCING | FINAL ORDER | 01/19/87 |
| 2051 | EL PASO ELEC. CO. | 08/06/86 | FINANCING | FINAL ORDER | 11/17/86 |
| 2052 | JAL GAS COMPANY | 08/06/86 | RATE CASE | FINAL ORDER | 12/15/86 |
| 2053 | PUBLIC SERV. CO. OF NM | 08/07/86 | STOCK RATE CASE | PENDING | |
| 2054 | NEW MEXICO UTILITIES | 08/14/86 | PROP. TRANS. OF EQUITY | FINAL ORDER | 06/01/87 |
| 2055 | DUNCAN VALLEY ELEC. | 08/01/86 | RATES | FINAL ORDER | 12/15/86 |
| 2056 | RANCHO GRANDE PROPERTY | 08/15/86 | COMPLAINT (CON. 1945) | FINAL ORDER | 02/16/87 |
| 2057 | SANGRE DE CRISTO | 08/19/86 | EXPANSION CHARGE | PENDING | |
| 2058 | PUBLIC SERV. CO. OF NM | 08/19/86 | LATE PAY CHARGE | PENDING | |
| 2059 | GAS COMPANY OF NM | 08/21/86 | VARIANCE FROM G. O. 44 | FINAL ORDER | 12/15/86 |
| 2060 | SPRINGER ELEC. COOP. | 08/22/86 | COMPLAINT | FINAL ORDER | 07/06/87 |
| 2061 | GAS COMPANY OF NM | 09/04/86 | COMPLAINT | FINAL ORDER | 10/20/86 |
| 2062 | MESA DEVELOPMENT CENTER | 09/16/86 | SHOW CAUSE | DISMISSED | 11/14/86 |
| 2063 | TOWN OF ESTANCIA | 09/24/86 | FINANCING | FINAL ORDER | 10/22/86 |
| 2064 | GAS COMPANY OF NM | 09/24/86 | RATE CASE ADVICE #402 | FINAL ORDER | 05/18/87 |
| 2065 | MORA–SAN MIGUEL | 09/25/86 | FINANCING | FINAL ORDER | 11/04/86 |
| 2066 | EDGEWOOD WATER CO. | 09/30/86 | RATE CASE ADVICE #9 | FINAL ORDER | 03/02/87 |
| 2067 | PUBLIC SERV. CO. OF NM | 10/01/86 | INVENTORY | FINAL ORDER | 12/31/86 |
| 2068I | GAS COMPANY OF NM | 10/15/86 | RATE CASE ADVICE #403 | PENDING | |
| 2068II | GAS COMPANY OF NM | 10/15/86 | TRANSPORTATION RATES | PENDING | |
| 2068INT | GAS COMPANY OF NM | 10/15/86 | RATE CASE ADVICE #403 | FINAL ORDER | 05/18/87 |
| 2069 | INDEPENDENT WATER CO. | 09/25/86 | G. O. 48 RATES | FINAL ORDER | 01/19/87 |
| 2070 | NEW MEXICO UTILITIES | 10/22/86 | COMPLAINT | PENDING | |
| 2071 | NMPSC RULE MAKING | 11/10/86 | RULEMAKING G. O. 49 | FINAL ORDER | 12/31/86 |
| 2072 | RUIDOSO NATURAL GAS | 12/01/86 | PGAC EXTENSION | PENDING | |
| 2073 | KIT CARSON ELECTRIC | 11/20/86 | FINANCING | FINAL ORDER | 12/15/86 |
| 2074 | EL PASO ELEC. CO. | 11/26/86 | DIVERSIFICATION PLAN | PENDING | |
| 2075 | NAVOPACHE ELECTRIC | 12/02/86 | FINANCING | FINAL ORDER | 12/29/86 |
| 2076 | NMPSC | 12/05/86 | TAX REFORM ACT | FINAL ORDER | 06/01/87 |
| 2077 | TEXAS-NM POWER CO. | 12/05/86 | FUEL & PURCHASED POWER | FINAL ORDER | 02/16/87 |
| 2078 | TEXAS-NM POWER CO. | 12/05/86 | RATE #17 | FINAL ORDER | 06/15/87 |
| 2079 | SANGRE DE CRISTO | 12/05/86 | COMPLAINT | PENDING | |
| 2080 | CENTRAL NM ELEC. COOP. | 12/11/86 | RATE CASE ADVICE #24 | FINAL ORDER | 02/16/87 |
| 2081 | HOBBS GAS COMPANY | 12/10/86 | G. O. 36 CONTINUATION | DISMISSED | 04/06/87 |
| 2082 | NMPSC | 12/16/86 | INVESTIGATION | PENDING | |
| 2083 | RIO GRANDE UTILITY | 12/31/86 | FINANCING | FINAL ORDER | 02/16/87 |
| 2084 | PUBLIC SERV. CO. OF NM | 12/16/86 | COMPLAINT | PENDING | |
| 2085 | CENTRAL NM ELEC. COOP. | 01/02/87 | FINANCING | FINAL ORDER | 01/29/87 |
| 2086 | NMPSC | 01/05/87 | CODIFICATION RULES | PENDING | |
| 2087 | NMPSC | 01/14/87 | P.V. PRUDENCE COST | PENDING | |
| 2088 | NMPSC | 01/14/87 | RATE MAKING, ALTRN. INV. | PENDING | |
| 2089 | EL PASO ELEC. CO. | 01/05/87 | FUEL FACTOR ADVICE #123 | FINAL ORDER | 05/27/87 |
| 2090 | CAP-CARRIZ V. RUIDOSO | 01/29/87 | COMPLAINT | PENDING | |
| 2091 | GAS COMPANY OF NM | 01/29/87 | DECLARATORY ORDER | DISMISSED | 04/20/87 |
| 2092 | EL PASO ELEC. CO. | 01/30/87 | RATE CASE ADVICE #124 | PENDING | |
| 2093 | GAS COMPANY OF NM | 01/30/87 | ACQUISITION OF GNM | PENDING | |
| 2094 | JEMEZ MOUNTAINS ELEC. | 02/05/87 | G. O. 28/METHODOLOGY | FINAL ORDER | 03/16/87 |
| 2095 | LEGGETT SPRINGS WATER | 02/10/87 | CERTIFICATE | PENDING | |
| 2096 | PUBLIC SERV. CO. OF NM | 02/17/87 | INV. AFUDC REC. REPORT | PENDING | |
| 2097 | VILLAGE OF RUIDOSO | 02/20/87 | FINANCING | FINAL ORDER | 03/16/87 |
| 2098 | VILLAGE OF HATCH | 02/27/87 | FINANCING | FINAL ORDER | 03/16/87 |
| 2099 | MORA–SAN MIGUEL | 03/03/87 | RATE CASE ADVICE #26 | PENDING | |
| 2100 | GAS COMPANY OF NM | 03/04/87 | GO 36 REFUND/SURCHARGES | PENDING | |
| 2101 | 7 ELECTRIC COOP.'S | 03/11/87 | RATE FILING G. O. 37 | PENDING | |
| 2102 | LEA COUNTY/ROOSEVELT CT. | 03/11/87 | RATE FILING G. O. 37 | PENDING | |
| 2103 | PLAINS ELEC. G&T | 03/11/87 | RATE FILING G. O. 37 | PENDING | |
| 2104 | CENTRAL VALLEY ELEC. | 03/11/87 | RATE FILING G. O. 37 | PENDING | |
| 2105 | NORTHERN RIO ARRIBA | 03/19/87 | RATE FILING G. O. 37 | PENDING | |
| 2106 | SPRINGER ELEC. COOP. | 03/11/87 | RATE FILING G. O. 37 | PENDING | |
| 2107 | NAVOPACHE ELEC. COOP. | 03/11/87 | RATE FILING G. O. 37 | PENDING | |
| 2108 | SOUTHWESTERN ELEC. COOP. | 03/11/87 | RATE FILING G. O. 37 | PENDING | |
| 2109 | PUBLIC SERV. CO. OF NM | 02/16/87 | SPECIAL CHARGES | PENDING | |
| 2110 | SOUTHWESTERN PSC | 03/13/87 | FINANCING | FINAL ORDER | 04/20/87 |
| 2111 | FARMERS ELEC. COOP. | 03/13/87 | RATE FILING G. O. 37 | PENDING | |
| 2112 | PUBLIC SERV. CO. OF NM | 03/18/87 | COGENERATION G. O. 37 | PENDING | |
| 2113 | SOUTHWESTERN PSC | 03/18/87 | G. O. 37 VARIANCE | PENDING | |
| 2114 | NAV & 6 COOP.'S | 03/17/87 | FINANCING | FINAL ORDER | 05/04/87 |
| 2115 | PUBLIC SERV. CO. OF NM | 03/19/87 | COMPLAINT | PENDING | |

| | | | | | |
|---|---|---|---|---|---|
| 2116 | COLUMBUS ELECTRIC COOP. | 03/05/87 | RATES REVISED G. O. 37 | PENDING | |
| 2117 | DUNCAN VALLEY ELEC. | 04/03/87 | RATE FILING G. O. 37 | PENDING | |
| 2118 | MORA–SAN MIGUEL | 04/03/87 | RATE FILING G. O. 37 | PENDING | |
| 2119 | RUIDOSO NATURAL GAS | 04/14/87 | GAS SALE APPROVAL | PENDING | |
| 2120 | EL PASO ELEC. CO. | 04/15/87 | FINANCING | FINAL ORDER | 05/18/87 |
| 2121 | TEXAS-NM POWER CO. | 04/15/87 | FINANCING | FINAL ORDER | 05/18/87 |
| 2122 | RIO GRANDE ELECTRIC | 04/16/87 | RATE CASE ADVICE #22 | PENDING | |
| 2123 | SOUTH HILLS WATER | 04/20/87 | SHOW CAUSE | PENDING | |
| 2124 | PUBLIC SERV. CO. OF NM | 04/16/87 | METER TEST APPLICATION | PENDING | |
| 2125 | TEXAS-NM POWER CO. | 04/13/87 | RATE FILING G. O. 37 | PENDING | |
| 2126 | NAVOPACHE ELEC. COOP. | 04/30/87 | FINANCING | FINAL ORDER | 06/01/87 |
| 2127 | EL PASO ELEC. CO. | 04/24/87 | G. O. 37 NEW RATE | PENDING | |
| 2128 | GAS COMPANY OF NM | 05/14/87 | G. O. 44 VARIANCE | PENDING | |
| 2129 | PUBLIC SERV. CO. OF NM | 05/15/87 | COMPLAINT | PENDING | |
| 2130 | NMPSC | 05/20/87 | TAX REFORM ACT EFFECTS | PENDING | |
| 2131 | RIVERSIDE WATER COMPANY | 05/20/87 | ABANDONMENT CERTIFICATE | PENDING | |
| 2132 | CENTRAL VALLEY ELECTRIC | 05/29/87 | FINANCING | FINAL ORDER | 06/25/87 |
| 2133 | GAS COMPANY OF NM | 06/01/87 | DECLARATORY ORDER | PENDING | |
| 2134 | NMPSC | 06/22/87 | OPEN MEETING POLICY | FINAL ORDER | 06/22/87 |
| 2135 | BREEDLOVE/OTERO | 06/01/87 | G. O. 37 VARIANCE | PENDING | |
| 2136 | EL PASO ELEC. CO. | 06/29/87 | SALE & LEASEBACK TRANS. | PENDING | |
| 2138 | PLAINS ELEC. G&T | 06/29/87 | ADVICE NOTICE #15 RATES | PENDING | |

## Future Directions and Suggestions

### Economic Development Rates

The Commission is interested in working with both the executive and legislative branches in developing non-discriminatory economic development rates. Such rates would permit utilities to market their surplus power in-state at reduced rates rather than forcing them to market it out-of-state as is currently the case. This would provide an additional incentive for new industries to locate in New Mexico.

### Audit Legislation

The Commission again plans to pursue legislation to fund a prudency audit of Public Service Company of New Mexico's (PNM) share of the Palo Verde Nuclear Generating Station. Since prudency issues have been settled with El Paso Electric Company in Case 2009, only the prudency of PNM's participation in this project remains to be resolved.

### Inventory Methodology Changes

The inventory methodology currently in use for PNM will likely need to be modified or eliminated because of changes in Financial Accounting Standards Board (FASB) Statement 71. This inventory methodology holds excess generating plant out of rate base until it is needed. Carrying charges accrue and are paid by customers when the plant is finally needed to meet current demand.

### Accounting Section

One of the recommendations addressed by the Governor's NMPSC Transition Team in December, 1986, was the creation of a utility accounting section. The Commission will attempt to implement this recommendation through internal reorganization within the next year.

### Paperwork Reduction

A major effort has been initiated, with the help of the Commission Staff, to identify entire reports or pieces of information from utilities which are duplicative or no longer needed. Streamlined reporting requirements will be implemented for all utilities within the next year. It is hoped that this will lead to a significant reduction in paperwork.

### Computerized Compliance

Once reporting requirements have been streamlined for utilities, the reporting requirements will be computerized using a data base management package. This will greatly enhance the ability of Commission staff to identify reporting requirements which have not been met. This will allow the Commission to vigorously enforce reporting and compliance requirements.

### Docket Control

It is anticipated that all but one of the 31 cases filed prior to June, 1986, remaining on the docket at the time the three new Commissioners assumed office will be processed by the end of the calendar year. The Commissioners are setting an objective of having any case heard and decided within an eighteen-month period after its filing.

# Appendices

## Commissioners and Their Terms During Annual Reporting Period

| | | | |
|---|---|---|---|
| Suedeen G. Kelly* | Chairman | | 12/15/84 |
| | | to | 07/08/86 |
| Marilyn O'Leary* | Chairman | | 07/09/86 |
| | | to | 02/16/87 |
| | Commissioner | | 06/24/85 |
| | | to | 07/08/86 |
| David B. Smith* | Commissioner | | 01/02/85 |
| | | resigned | 08/29/87 |
| Bruce H. Rolstad* | Commissioner | | 08/18/86 |
| | | to | 01/19/87 |
| Joan Ellis* | Commissioner | | 08/04/86 |
| | | to | 01/15/87 |
| Joseph E. Samora, Jr.** | Chairman | | 02/17/87 |
| | | to | present |
| | Commissioner | | 01/16/87 |
| | | to | 02/16/87 |
| Martin J. Blake** | Commissioner | | 01/20/87 |
| | | to | present |
| S. Peter Bickley** | Commissioner | | 02/17/87 |
| | | to | present |

*Appointed by Governor Toney Anaya
**Appointed by Governor Garrey Carruthers

## Statutory Duties and Authority

The New Mexico Public Service Commission is charged by the Public Utility Act with the regulation of the rates and service provided by gas, electric, water and sewer utilities. NMSA 1978, Sections 62-3-1, et seq. (Repl.Pamp.1984 and Cum.Supp.1986). The Public Utility Act became law in New Mexico in 1941. N.M. Laws 1941, Ch.85. The Act created a 3-person Commission appointed by the Governor, with the approval of the Senate, for staggered 6-year terms. NMSA 1978, Sections, 62-5-1,-5-3 (Repl.Pamp.1984).

Municipally-owned utilities are not subject to Commission jurisdiction under the Act unless the voters of the municipality vote for regulation. NMSA 1978, Sections 62-6-5 (Repl.Pamp.1984). At the end of the period covered by this report, no municipality was subject to Commission regulation. The Commission once had the authority to disapprove the rates and service regulations of an electric municipal utility operating more than 5 miles beyond a municipal boundary. NMSA 1978, Section 3-24-9 (Repl.Pamp.1984). The 1987 Legislature, however, repealed this authority. N.M. Laws 1987, Ch.170.

Rural electric cooperatives initially came within Commission jurisdiction in 1961. Laws 1961, Ch.89. That law was found unconstitutional in 1966; however, jurisdiction was re-established in 1967. Community Public Service Co. v. N.M. Public Service Comm'n, 76 N.M. 314, 414 P.2d 675 (1966), cert. denied, 385 U.S. 933 (1966); Laws 1967, Ch.96.

In 1985, the Legislature partially deregulated rural electric cooperatives, small water companies, and water and sanitation districts. NMSA 1978, Sections 62-8-7(F), -7.1 (Cum.Supp. 1986); NMSA 1978, Sections 73-21-16(L), -55 (Cum.Supp.1986). As a result, rural electric cooperatives may change rates without prior Commission approval unless ratepayers protest to the Commission, in which case the Commission holds hearings prior to rate implementation. Similarly, water companies whose annual revenues are less than $500,000 can increase rates without prior Commission approval unless the increase is more than 50% or ratepayers protest to the Commission.

The rates, but not the service, of water and sanitation districts had been subject to Commission prior approval under the Water and Sanitation District Act. N.M. Laws 1967, Ch.187. Now, district rates and charges are only subject to Commission approval upon protest of district taxpayer-electors. Section 73-21-55. The governing board of a district can also elect to place the district under Commission regulation of all of its rates, service and financing under the Public Utility Act. Id. Otherwise, the Commission has only the limited authority described above under the Water and Sanitation District Act.

In 1987, the Legislature expanded the Commission's duties by charging it with regulation of rates and service of sewer utilities. Previously unregulated, these utilities' rates and service now are regulated like those of water utilities. N.M. Laws 1987, Ch.52.

In the natural gas area, Commission authority has changed over the past two years. The 1984 Legislature passed and the 1985 Legislature continued Commission authorization to regulate the price charged for intrastate gas transportation by public utilities and to enforce the legislative mandate for such transportation. N.M. Laws 1984, Ch.123, Section 7; N.M. Laws 1985, Ch.8, Section 1, codified at NMSA 1978, Section 62-6-4.1 (Cum.Supp.1986). The 1985 Legislature also allowed the expiration of the Commission's authority to regulate certain intrastate wellhead gas prices under the 1984 New Mexico Natural Gas Price Protection Act. See, N.M. Laws 1984, Ch.123, Section 15.

The 1987 Legislature amended the Commission's statutory authority over intrastate gas transportation. The amendments prohibit gas utilities from marketing and brokering natural gas and gives the Commission authority to assess a civil penalty against violators of the statute's requirements for gas transportation. N.M. Laws 1987, Ch.93.

A 1982 amendment to the Public Utility Act changed the method of judicial review of final orders of the Commission NMSA 1978, Sections 62-11-1 to -7 (Repl.Pamp.1984). The amendment provides for direct appeal from proceedings under the Act to the State Supreme Court by any party to the proceedings. Prior to the amendment, judicial review was through a petition to the District Court with an appeal lying to the State Supreme Court from the District Court judgment. N.M. Laws 1965, Ch.289.

A public utility must have prior approval by the Commission for the issuance of stocks and issuance of long term securities.

NMSA 1978, Sections 62-6-6, -8, -8.1 (Repl.Pamp.1984). No person may operate as a utility without obtaining from the Commission a Certificate of Public Convenience and Necessity which is, in effect, a license to do business that only the Commission may issue. NMSA 1978, Sections 62-9-1 (Repl.Pamp.1984). A certificate is also required for certain extensions of service territory and certain additions of plant and facilities. NMSA 1978, Sections 62-9-1 to -3 (Repl.Pamp.1984). Since 1971, the Commission must approve the location of large electric generating stations and transmission lines from an environmental standpoint. NMSA 1978, Section 62-9-3 (Repl.Pamp.1984). The Commission also has certain specified authority to examine the books and records of business entities that are affiliates of public utilities. NMSA 1978, Sections 62-6-17, -19 (Repl.Pamp.1984).

In 1982, a law was passed which placed a moratorium on diversification activities by public utilities. N.M. Laws 1982, Ch.109. An interim legislative committee was established to study the diversification issue and the Commission was ordered to adopt regulations governing diversified activities by November 30, 1982. The Commission complied with this requirement by promulgating and adopting General Order No. 39. In 1983, the Legislature allowed the moratorium on diversification activities to expire. Id. The 1983 Legislature also amended the Act to provide the Commission with authority to require wheeling by electric utilities upon complaint by another electric utility. NMSA 1978, Section 62-6-5 (Repl.Pamp.1984). The Commission is required to apply federal standards in ruling on each complaint. Wheeling is defined as the use of transmission facilities of one utility system to transmit power of and for another utility system. In 1983, the Act was also amended to make it more difficult to receive a stay of a Commission order on appeal. NMSA 1978, Section 62-11-6 (Repl.Pamp. 1984).

TABLE 1
Summary of Rate Requests
Chronologically

| Case No. | Company | Type Serv. | Date Filed | Final Order | Amount Requested | Amount Granted | Rate Base | RoRb† % | RoE‡ % |
|---|---|---|---|---|---|---|---|---|---|
| 1916 | Public Service Company | E | 08/84 | 11/05/86 | 119,651,465.00 | 4,529,733 | 962,099,807 | 11.69 | 15.00 |
| 1976 | El Dorado Utilities | W | 09/03/85 | 12/15/86 | 88,874.00 | 23,415 | 321,717 | 10.49 | 0 |
| 1994 | New Mexico Utilities | W | 10/07/86 | 07/26/87 | 230,885.00 | 107,812 | 1,022,878 | 11.85 | 12.91 |
| 2066 | Edgewood Water Company | W | 09/30/86 | 03/02/87 | 71,287.00 | Dev. Fee | *ND | *ND | *ND |
| 2069 | Independent Water Co. | W | 09/29/86 | 01/19/87 | *ND | *ND | *ND | *ND | *ND |
| 2092 | El Paso Electric Co. | E | 01/30/87 | Pending | 13,894,037.00 | *ND | *ND | *ND | *ND |
| 2122 | Rio Grande Elec. | E | 04/16/87 | Pending | 65,334.00 | *ND | *ND | *ND | *ND |

*ND = Not Determined
†RoRb = Rate of Return on Rate Base
‡RoE = Rate of Return on Equity

**G.O. 46 Rate Cases during 1986–1987**
Central New Mexico Electric Cooperative (insufficient protests)
Kit Carson Electric Cooperative, Inc. (no protests)
Mora–San Miguel Electric Cooperative (pending)
Rio Grande Electric (see Case No. 2122)
Sierra Electric Cooperative, Inc. (no protests)
Southwestern Electric Cooperative, Inc. (no protests)

**G.O. 47 Rate Cases during 1986–1987**
Twining Water and Sanitation District (Case No. 1986)

**G.O. 48 Rate Cases during 1986–1987**
Echo Valley Water Company (no protests)
El Dorado Utilities, Inc. (pending)
Independent Water Company (see Case No. 2069)
Indian Hills Waterworks Company, Inc. (no protests)
Ranchos de Placitas Water Company (insufficient protests)

## TABLE 2
## Investor Owned Electric Utility Statistics

| Customer Class | Residential | | | Commercial | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | 1984 | 1985 | 1986 | 1984 | 1985 | 1986 | 1984 | 1985 | 1986 | 1984 | 1985 | 1986 |
| Average Number of Customers | 356,190 | 369,465 | 381,091 | 50,540 | 52,182 | 54,216 | 832 | 1,297 | 1,322 | 407,562 | 422,944 | 436,629 |
| KWH Sales (Thousands) | 2,221,711 | 2,271,158 | 2,317,806 | 5,229,715 | 4,691,176 | 4,781,209 | 593,568 | 1,355,771 | 1,431,306 | 8,044,994 | 8,318,105 | 8,530,321 |
| Gross Revenues | $183,342,561 | $194,667,949 | $204,172,219 | $341,032,673 | $309,904,994 | $322,219,947 | $37,939,942 | 87,976,791 | $96,135,071 | $562,315,176 | $592,549,734 | $622,527,237 |
| Avg. Annual KWH per Customer (1) | 6,237 | 6,147 | 6,082 | 103,477 | 89,900 | 88,188 | 713,423 | 1,045,313 | 1,082,682 | 19,739 | 19,667 | 19,537 |
| Avg. Annual Bill per Customer (2) | $514.73 | $526.89 | $535.76 | $6,747.78 | $5,938.93 | $5,943.26 | $45,600.89 | $67,830.99 | $72,719.42 | $1,379.70 | $1,401.01 | $1,425.76 |
| Avg. Monthly Bill per Customer (3) | $42.89 | $43.91 | $44.65 | $562.31 | $494.91 | $495.27 | $3,800.07 | $5,652.58 | $6,059.95 | $114.98 | $116.75 | $118.81 |
| Avg. Gross Revenue per KWH Sold (4) | $0.0825 | $0.0857 | $0.0881 | $0.0652 | $0.0661 | $0.0674 | $0.0639 | $0.0649 | $0.0672 | $0.0699 | $0.0712 | $0.0730 |

Notes: 1) Sales KWH / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales KWH



## TABLE 3
## Rural Electric Cooperative Utility Statistics

| Customer Class | Residential | | | Commercial and Industrial | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | 1984* | 1985* | 1986* | 1984* | 1985* | 1986* | 1984* | 1985* | 1986* | 1984* | 1985* | 1986* |
| Average Number of Customers | 99,219 | 102,606 | 104,349 | 23,765 | 22,886 | 22,884 | 6,661 | 4,665 | 4,568 | 129,645 | 130,157 | 131,801 |
| Sales (Thousands of Kwh) | 569,564 | 581,167 | 569,049 | 1,328,121 | 1,662,547 | 1,665,050 | 208,556 | 203,177 | 175,072 | 2,106,241 | 2,446,891 | 2,409,171 |
| Gross Revenues | $43,546,981 | $54,391,240 | $59,029,480 | $83,766,587 | $115,007,773 | $125,866,121 | $14,407,387 | $14,597,054 | $13,815,558 | $141,720,955 | $183,996,067 | $198,711,159 |
| Avg. Annual Kwh per Customer (1) | 5,740 | 5,664 | 5,453 | 55,886 | 72,645 | 72,760 | 31,310 | 43,553 | 38,326 | 16,246 | 18,800 | 18,279 |
| Avg. Annual Bill per Customer (2) | $438.90 | $530.10 | $565.69 | $3,524.79 | $5,025.25 | $5,500.18 | $2,162.95 | $3,129.06 | $3,024.42 | $1,093.15 | $1,413.65 | $1,507.66 |
| Avg. Monthly Bill per Customer (3) | $36.57 | $44.17 | $47.14 | $293.73 | $418.77 | $458.35 | $180.25 | $260.75 | $252.04 | $91.10 | $117.80 | $125.64 |
| Avg. Gross Revenue per Kwh Sold (4) | $0.0765 | $0.0936 | $0.1037 | $0.0631 | $0.0692 | $0.0756 | $0.0691 | $0.0718 | $0.0789 | $0.0673 | $0.0752 | $0.0825 |

Notes: 1) Sales MG / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales MG

*Amounts represent NM operations only

## TABLE 4
## Gas Utility Statistics

| Customer Class | Residential | | | Commercial | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | 1984 | 1985 | 1986 | 1984 | 1985 | 1986 | 1984 | 1985 | 1986 | 1984 | 1985 | 1986 |
| Average Number of Customers | 284,024 | 296,632 | 300,795 | 29,359 | 30,273 | 30,521 | 2,379 | 2,524 | 2,473 | 315,762 | 329,429 | 333,789 |
| MCF Sales* | 24,468,089 | 19,344,968 | 21,505,726 | 32,666,920 | 24,576,550 | 19,019,857 | 10,127,225 | 8,653,851 | 8,502,401 | 67,262,234 | 52,575,369 | 49,027,984 |
| Gross Revenues | $144,586,152 | $118,740,910 | $123,713,436 | $144,059,040 | $105,645,910 | $80,773,834 | $45,884,438 | $38,542,532 | $31,583,154 | $334,529,630 | $262,929,352 | $236,070,424 |
| Avg. Annual MCF per Customer (1) | 86 | 65 | 71 | 1,113 | 812 | 623 | 4,257 | 3,429 | 3,438 | 213 | 160 | 147 |
| Avg. Annual Bill per Customer (2) | $509.06 | $400.30 | $411.29 | $4,907 | $3,490 | $2,647 | $19,287 | $15,270 | $12,771 | $1,059 | $798.14 | $707.24 |
| Avg. Monthly Bill per Customer (3) | $42.42 | $33.36 | $34.27 | $408.90 | $290.81 | $221.00 | $1,607 | $1,273 | $1,064 | $88.00 | $66.51 | $58.94 |
| Avg. Gross Revenue per MCF Sold (4) | $5.91 | $6.14 | $5.75 | $4.41 | $4.30 | $4.25 | $4.53 | $4.45 | $3.71 | $4.97 | $5.00 | $4.82 |

Notes: 1) Sales MCF / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales MCF

*Sales customers only
Does not include transportation gas.



## TABLE 5
## Water Utility Statistics

| Customer Class | Residential | | | Others | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | 1984 | 1985 | 1986 | 1984 | 1985 | 1986 | 1984 | 1985 | 1986 |
| Average Number of Customers | 43,678 | 47,149 | 50,117 | 4,586 | 7,825 | 9,711 | 48,264 | 54,974 | 59,828 |
| Sales (Thousands of Gallons, MG) | 5,006,547 | 4,970,261 | 6,398,390 | 2,708,914 | 2,676,016 | 2,911,059 | 7,715,461 | 7,646,277 | 9,309,449 |
| Gross Revenues | $9,841,345 | $11,991,089 | $14,893,327 | $4,648,440 | $5,969,170 | $7,414,983 | $14,489,785 | $17,960,259 | $22,308,310 |
| Avg. Annual MG per Customer (1) | 115 | 105 | 128 | 591 | 342 | 300 | 160 | 139 | 156 |
| Avg. Annual Bill per Customer (2) | $225.32 | $254.32 | $297.17 | $1,013.62 | $762.83 | $763.57 | $300.22 | $326.70 | $372.87 |
| Avg. Monthly Bill per Customer (3) | $18.78 | $21.19 | $24.76 | $84.47 | $63.57 | $63.63 | $25.02 | $27.23 | $31.07 |
| Avg. Gross Revenue per MG Sold (4) | $1.97 | $2.41 | $2.33 | $1.72 | $2.23 | $2.55 | $1.88 | $2.35 | $2.40 |

Notes: 1) Sales MG / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales MG

**TABLE 6**
**Number of Complaints by Utility Type**
**1986–1987**

| Utility Type | Service | Tariff | Billing | Danger | Miscellaneous | Total |
|---|---|---|---|---|---|---|
| Investor-Owned Electric | 159 | 29 | 77 | 0 | 7 | 272 |
| Investor-Owned Natural Gas | 92 | 3 | 30 | 2 | 3 | 130 |
| Rural Electric Cooperative | 120 | 104 | 30 | 1 | 2 | 257 |
| Municipal Electric | 2 | 2 | 1 | 0 | 0 | 5 |
| Investor-Owned Water | 38 | 12 | 36 | 0 | 19 | 105 |
| Water and Sanitation District | 0 | 0 | 0 | 0 | 0 | 0 |
| Submetering | 5 | 1 | 0 | 0 | 1 | 7 |
| Uncertified or No Jurisdiction | 4 | 2 | 3 | 1 | 11 | 21 |
| Totals | 420 | 153 | 177 | 4 | 43 | 797 |

## New Mexico Public Service Commission Available Brochures

The New Mexico Public Service Commission publishes brochures to help the public understand the functions of the Commission, their own utility bills, and what steps can be taken to conserve energy. The brochures available upon request are:

- *Customer Rights and Responsibilities* (G.O. 34 "Consumer Bill of Rights")
- *Energy Conservation and Your Utility Bill*
- *The New Mexico Public Service Commission, What It Is, and How It Works*
- *Utility Ratemaking and the New Mexico Public Service Commission*
- *Understanding Your Utility Bill*

For copies or further information, please contact:

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